TO INTERLOCAL AGREEMENT BETWEEN SOUND TRANSIT AND THE CITY OF REDMOND FOR THE DESIGN, CONSTRUCTION AND FUNDING OF TRANSIT IMPROVEMENTS

THIS FIRST AMENDMENT to the Interlocal Agreement is made between the CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY ("Sound Transit") and the City of Redmond, a municipal corporation ("City" or "Redmond").

WHEREAS, the Parties entered into the above-captioned Agreement ("Agreement") on or about September, 19, 2005, and

WHEREAS, the City's right-of way acquisition costs have been substantially reduced due to several new developments within the project limits causing the right-of-way fronting Redmond Way to be dedicated to the City, and

WHEREAS, the parties wish to reduce Sound Transit's funding commitment for right of way acquisition by \$31,000 and increase its funding commitment for the construction work by an equal amount, and these adjustments will not increase the maximum contract amount of \$1,419,480.

NOW, THEREFORE, in consideration of the terms contained herein, IT IS AGREED AS FOLLOWS:

1. Section 5.2 of the Agreement is amended as follows:

5.2 Project Cost Sharing

The Parties agree to share the costs of the Work as follows:

Sound Transit agrees to contribute funding for the design of the Work at a total not to exceed of Two Hundred Twenty Eight Thousand, Five Hundred Eighty Dollars (\$228,580). This amount includes a contingency fund in the amount of Twenty Thousand, Seven Hundred Eighty Dollars (\$20,780), which may be distributed only pursuant to the terms of this Section. This total not-to-exceed amount represents the Parties' determination of the cost for design of the transit elements of the Work, minus the costs Sound Transit incurs for preliminary design and environmental review. The City will fund the cost for design of the remaining elements of the Work. If a cost savings for final design is realized, the amount of the cost savings may be transferred to the construction phase of the project.

Sound Transit agrees to contribute funding for the construction of the Work at a total not to exceed of One Million, One Hundred Seventy Three Thousand, Nine Hundred Dollars (\$1,173,900). This total not-to-exceed amount represents the Parties' determination of the cost for construction of the transit elements of the Work. The City will fund the cost for construction of the remaining elements of the Work.

Sound Transit agrees to contribute funding for the acquisition of right-of-way necessary for the Work at a total not to exceed of Seventeen Thousand Dollars (\$17,000). This total not-to-exceed amount represents the Parties' determination of the cost for right-of-way acquisition necessary to the transit elements of the Work. The City will fund the cost for any right-of-way acquisition necessary to the remaining elements of the Work. If any additional cost savings for right-of-way acquisition is realized, the amount of the cost savings may be transferred to the construction phase of the project by Sound Transit.

In the event the City anticipates that the total cost of the project will exceed the overall capped amount of the project of \$1,419,480, Sound Transit shall not be obligated to reimburse the City for any expenditure in excess of the not-to-exceed amounts set forth in this Section, regardless of the actual cost of the Work, unless Sound Transit's Board of Directors ("Board") authorizes such additional funding in advance of the City incurring the additional costs and the Parties amend this Agreement upon such terms and conditions as approved by the Board. Payment shall be made from contingency funds for legitimate change orders and other unanticipated costs of the Work that are not the result of errors or omissions by the City or its contractors. Payment from contingency funds for costs other than those described in the preceding sentence shall be at the sole discretion of Sound Transit. Any request for payment from contingency funds shall be made in advance and in writing by the City for Sound Transit's review and written approval.

Project Element	ST Funding Commitment
Design	\$228,580
Right-of-Way	\$17,000
Construction	\$1,173,900
Total Capped Contribution	\$1,419,480

2. The remaining terms and conditions of the Agreement shall remain in full force and effect except as expressly modified by this First Amendment.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment:

For: CITY OF REDMOND

By: Title: MAJOK

Date: 5718 2007

Approved as to Form:

By: By: Majok

Approved as to Form:

By: By: By: By: By: Sound Transit Legal Sounsel